Report

of the

Industries Committee

(Bombay)

1926-27

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REPORT

OF THE

INDUSTRIES COMMITTEE

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REPORT OF THE INDUSTRIES COMMITTEE (BOMBAY), 1926-27

This committee was appointed by the Government of Bombay, in its Resolution, General Department, No. 4428 of the 3rd August 1926, to report on the following points :—

(1) The present functions and working of the Industries Department and the activities which the department should undertake in the future.

(2) The qualifications and pay of the personnel of the department including the appointment of the Director, necessary to secure a suitable staff.

(3) Whether in view of the present financial situation of the Government of Bombay any extension of its activities in the immediate future is possible.

(4) Whether state-aid to industries is desirable and if so to what class of industries it should be extended.

2. At the outset the following members were appointed :—

Mr. C. G. Freke, I.C.S. (Chairman),
Sir N. N. Wadia, K.B.E., C.I.E.,
Mr. J. Addyman, M.L.C.,
Mr. Lalji Naranji, M.L.C.,
Khan Saheb A. M. Mansuri, M.L.C.,
Khan Bahadur D. B. Cooper, M.L.C.,
Honourable Mr. (now Sir) Munmohundas Ramji (representing the Indian Merchants' Chamber),
Mr. G. L. Winterbotham, M.L.C. (representing the Chamber of Commerce, Bombay),

with Mr. A. H. Dracup to act as Secretary.

3. Shortly after the appointment of the committee Sir N. N. Wadia resigned from it as he was proceeding to Europe, and his place was not filled.

4. After the committee had held three meetings they were informed by Government that their financial situation was worse than was anticipated when the committee was appointed. Owing to revenues not having come up to expectations the deficit to be faced was larger than had been anticipated. And the committee was informed that, so far as could then be foreseen, there was little prospect in the near future of much more money being available for the Industries Department than their current budget allotment. Public opinion is inclined to attach little weight to the report of a committee when it is some years past. And Government's primary purpose in appointing this committee was

to obtain its advice as to the lines on which the Industries Department should be run in the near future. Although they did not desire to exclude entirely proposals involving slight increases in expenditure they desired that the committee's chief aim should be to make recommendations which would be feasible within the budget provision which was likely to be available. In these circumstances they desired that the terms of reference should be taken as modified to read as follow :—

The committee should report on :—

(1) the present functions and working of the Industries Department and the activities which, in view of the present financial situation of the Government of Bombay, the Department should undertake in the near future ;

(2) the qualifications and pay of the future personnel of the department, including the appointment of Director, necessary to secure a suitable staff.

And the committee agreed, at their meeting of 13th December, to work on these lines. The effect of Government's communication was two-fold ; it laid greater stress on the stringency of the financial situation and it deleted the fourth item referred for consideration, that relating to loans to industrial concerns. Otherwise the main substance of the terms of reference remained unchanged.

5. In order to appreciate the present functions of the department it is desirable to make a brief review of its past history. Before the inauguration of the Department of Industries in this province there was in existence an indigenous Industries Committee appointed in 1915, of which the following were members :—

Sir Sassoon David, Bart., Chairman.
Honourable Mr. M. N. Hogg.
Mr. Purshottamdas Thakoredas.
Honourable Mr. Wardlaw Milne.
Honourable Mr. (now Sir) Munmohundas Ramji.
Mr. J. B. Petit.
Mr. G. A. Thomas, I.C.S., Secretary.

The functions of this committee were to examine industrial projects and suggestions submitted to it, to advise as to their practicability and the extent to which they needed Government support, and generally to collect and co-ordinate information on all subjects connected with the furtherance of indigenous industries.

6. In December 1917 the Bombay Department of Industries was created with the late Mr. P. J. Mead, C.I.E., I.C.S., as its first Director. And it was laid down that the main functions of the department were to be the promotion of local industrial enterprises by

(*a*) advice and information ;

(*b*) the introduction of new methods and improved implements ;

(*c*) the management of pioneer and demonstration factories in which new industries could be tried on a commercial scale and demonstrators technical experts and managers could be trained ;

(*d*) examination of requests for loan and other concessions and suggestions of the form of assistance required.

The Director was also to study the economic conditions of the Presidency from the industrial point of view, collect commercial information and investigate existing industries which gave promise of local development with the view of rendering them any assistance in his power. He had associated with him an advisory committee. He was an administrative officer and Government's intention was that for special projects expert and technical assistants should be provided as needs arose.

7. Between 1917 and 1924 the following functions were allotted to the Director of Industries in addition to those already stated :—

(1) Chairman of the Victoria Jubilee Technical Institute.
(2) Chairman, Committee of Direction for Technical Education.
(3) Member, Advisory Committee, College of Engineering, Poona.
(4) Member, Advisory Committee, Royal Institute of Science.
(5) Trustee, Prince of Wales Museum.
(6) Member, Co-operative Conference Committee.
(7) Member of the Railway Advisory Committee.
(8) Chairman of the Committee on Standardization of Weights and Measures.
(9) Scrutiniser of hospital and jail contracts.
(10) Control of the Dapuri Workshops.
(11) Control of the Factory, Boiler and Smoke Nuisance Departments.
(12) Technical and Industrial Education.
(*i*) State Technical Scholarships,
(*ii*) Scholarships in Chemistry and Electrical Engineering.
(13) Administration of Mines Act and supply of information to public regarding minerals and mines, prospecting licenses, etc.
(14) Stores purchase and scrutiny of tenders for jails and hospitals.

8*. In 1924 a motion was moved in the Legislative Council that the whole of the demand for "35—Industries," Rs. 2,11,000, should be omitted from the Budget estimates. As the result of discussion on this motion, the demand was not entirely omitted but was finally passed for the reduced figure of Rs. 1,28,000. To meet this cut the post of the Director of Industries was abolished, a small office headed by a Superintendent of Industries was formed for the supply to the public of commercial and industrial information and technical advice, and the remaining work of the department was distributed in the following way :—

(1) Factory and Boiler Inspection Departments were transferred to the Collector of Bombay.
(2) The Weaving section was transferred to the Registrar, Co-operative Societies.

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* See also separate note by Mr Lalji Naranji, M.L.C. (page 25).

(3) Research Scholarships were transferred to the Director of Public Instruction.

(4) The pottery section was transferred to the School of Art.

9. In July 1925 the post of Director of Industries was revived. The then Superintendent of Industries was appointed to hold the post of Director of Industries till the date of his retirement (he was due to retire in March 1926) and it was stated that the post would be advertised in due course so as to secure the services of the best man available. And the department was reorganised with the following functions :—

(1) Supply of commercial intelligence to private enterprise.

(2) Professional or technical advice and assistance to minor industries.

(3) Technical Education.

(4) Experimental demonstration work in rosha oil and fish oil and the manufacture of magnesium chloride.

(5) Fisheries, including oyster cultivation.

10. Technical education, although here specified, appears not to have been handed over except in connection with weaving schools and some scholarships. The rosha oil experiments were handed over to a private firm specialising in vegetable oils. And, although fish oil experiments were included within the scope of the work of the department, nothing further has been done in this connection during the past four years. It is stated that sardines are not available in sufficient quantities to make it a paying proposition. Magnesium chloride experiments are carried on by the Collector of Salt under the control of the Government of India. And oyster culture is carried out entirely under the Collector of Karachi, independently of the Director of Industries.

11. The functions of the department at the present time may therefore for practical purposes be divided under three heads :—

(1) Supply of commercial intelligence to private enterprise.

(2) Professional or technical advice and assistance to minor industries.

(3) Demonstration in weaving.

12. During the years 1916 to 1918 the Indian Industrial Commission, under the presidentship of Sir Thomas Holland, was touring the country, and all subsequent thought and effort in the direction of industrial development in India has been largely affected by the recommendations of that Commission ; and this committee is of the opinion that Government cannot do better than follow the general lines of that report. In following its recommendations the first difficulty met with is that the recommendations for action by Provincial Governments depend in many vital particulars upon corresponding action by the Central Government, whereas the Central Government have rejected some of the most important of the Commission's proposals. This question assumes great importance when we consider the industries which we can usefully try to develop and the expert assistance necessary for the purpose. The recommendations of the Industrial Commission for the development

of industries in the provinces depend upon the Central Government providing two all-India Services, those of industrial chemists and industrial engineers. Our problem would be very much simplified if there were any such central pool of industrial experts upon which we could draw for the supply of men to man a provincial department. No province can afford to employ specialists in every industry which might be developed in that province. But, if a central pool were available, an expert in any particular industry might be taken by the province for a few years only, as was the intention of the Industrial Commission. A further point which has to be borne in mind, when considering to what extent the recommendations of the Industrial Commission should be put into force at the present time in this province, is the fact that when that Commission toured the country trade conditions were artificial. An international war of the first magnitude had given young industrial concerns in this country a degree of protection previously undreamt of and most unlikely to recur. And the war was also succeeded by a period of most exceptional commercial and industrial prosperity. Conditions are now different in both respects. In the place of that prosperity and general trade activity we have now a uniformity of depression in almost all branches of trade and industry. And the industrially advanced countries which were then at war have now reorganised their industries on a basis of intense competition.

13. The budget provision of Rs. 1,01,000 in 1926-27 may be analysed into—

Headquarters office*	30·8	thousand rupees
Weaving staff	44·1	,,
Scholarships	9·6	,,
Experimental works and pottery factories.	3·7	,,
Agricultural Exhibition	5·0	,,
Survey of art-crafts	8·0	,,

14. The survey of art-crafts is a separate enquiry for which Mr. Fernandes of the Prince of Wales Museum has been specially appointed. The provision for weaving staff is spent on 22 weaving schools and demonstrations supervised by four weaving assistants and one dyeing demonstrator and carried out by a staff of 36, including head-masters, masters, and demonstrators. The distribution of this work is shown in Appendix I. The work done in the headquarters office is clerical work whose value it is difficult to appraise. The work of the office during January 1927 was inspected. In that month 493 letters were received. In the previous twelve months 4,901 letters were received, so that the volume of work in January was not below the average and, in the opinion of the Director, it was a typical month. A large number of letters were from the weaving staff and many were

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* Pay of Director .. .. 18·1 thousand rupees.
Travelling allowance of Director .. .. 2·3 ,,
Pay of staff .. .. 8·8 ,,
Office expenses .. . 1·6 ,,

merely routine in character. Excluding these, Appendix II shows the subject matter of the letters received. Eighteen were from persons who had goods to sell and enquired for purchasers; 16 were industrial enquiries, of which 5 were requests for advice in choosing machinery and 2 were from people possessing small capital and asking for advice as to how it would pay them best to utilise it; 9 were names for entry in the records of producers; 5 dealt with Tariff Board work, *i.e.*, they were concerned with applications for protection. The committee are of the opinion that the nature of the letters received shows that there is scope enough for important work in various lines, but that little can be done unless much more money can be made available than the present budget provision of one lakh of rupees.

15. We turn now to the question of what should be the functions of the department in the near future. We assume that the Government of India do not intend to inaugurate all-India services of industrial chemists and industrial engineers, so that each province will have to recruit for itself whatever industrial experts it considers necessary. We are impressed by the remark of the Director of Industries that he found that after the department had been established for some years there were many small industrialists who did not know of its existence and that some of those whom he approached were suspicious as to his real purpose. We are of the opinion that a greater degree of co-operation between the Director of Industries and small industrialists could be introduced by his occasionally sending letters explaining the work and purpose of the department to the smaller factories whose names and addresses are published in the list of factories.* But apart from this it is obvious that we cannot expect much live co-operation between factory owners and this department unless the latter is in a position to give information and advice of real value. What is the consideration which lies at the root of the whole problem? Unless Government can provide, and are satisfied that there should be provided, a Director of Industries who will command general confidence, supported by experts in the subjects most in demand, the Department of Industries can be of little value. This committee is of the opinion that ultimately the future of industries in this province must depend upon wider facilities for industrial and higher technical education, combined with a system of scholarships by which selected graduates are enabled to proceed to more advanced countries and to study there the most up-to-date processes of manufacture. Some industrial concerns in the country have already sent men at their own expense to be trained in Europe and are now reaping the benefit of it. It will be some time before this system will bear full fruit, and in the meanwhile the same experience and training should be made available by means of specialists imported on short term contracts. This method can only be really successful if such imported specialists are paid and utilised each by one business organisation, but as we have in mind particularly the interest of small industrialists we consider that Government should, when funds permit,

* "Large industrial establishments in India" obtainable from the Central Publication Branch, Calcutta.

adopt the policy for the present of selecting in turn the industries most in need of development in this province and recruiting specialists for them. This is looking some way ahead, as these proposals would require considerably more than the present budget provision of a lakh of rupees per year. We turn now to consider what should be the functions of the department so long as its budget grant remains at its present figure or can be only slightly increased.

16. In the first place we have to consider the classes of industries to which the Director of Industries should devote his main attention. Following the lines of the Indian Industrial Commission in Chapter XIV of its report we may sub-divide industries under three heads —

(*a*) cottage industries,

(*b*) small organised industries which may be local or provincial in scope, such as sugar factories, tanneries, breweries, etc. and

(*c*) large organised industries which may be national or international in scope, such as steel works or cotton mills.

17. The committee are unanimously of the opinion that the Department of Industries should devote most of its attention to class (*a*), and that class (*c*) should not ordinarily be included within the scope of its enquiries. This line of demarcation should not operate so as to prevent the Director of Industries from replying to enquiries received from large organised industries to such extent as material for the reply may be available in his office or may be readily obtainable. In this connection, however, we would point out that enquiries from large industries are usually for trade openings in foreign countries, information regarding customs, or other information which can only be obtained from either the Indian Trade Commissioner in London or British commercial representatives in other countries. The Government of India Department of Commercial Intelligence has special facilities for obtaining this information and such enquiries should be transferred to that department for action. This will leave a small field within which the provincial department will be able to assist large organised industries, but we wish to make it clear that, although the Director should not inaugurate special enquiries in connection with this group of industries, they should not be debarred from writing to him for assistance, if they so desire. As regards small organised industries, the committee are of the opinion that these should be held to be definitely within the scope of the provincial Department of Industries, as an industrial engineer can often be of assistance in advising in connection with small industrial plants. But the Committee desire to emphasise their view that in the near future, and until adequate budget provision can be made for expanding the scope of the department's work, it should concentrate upon assisting the small industries included within the general expression " cottage industries. " We have been impressed by the paucity of detailed information available on this subject. The last population census provided some information regarding occupations, and the survey of art-crafts now in progress should be of considerable value, but we consider that an industrial survey of the existing minor industries of this province should be undertaken as

early as possible. The Department of Industries could do much more useful work than at present, with very little increase in budget provision, if it had accurate information as to the distribution and the details of minor industries throughout the province.

18. Complementary to this collection of information regarding existing industries should be a careful study of possible spare-time occupations for agriculturists. Budget demands for Industries Departments are often viewed by rural Members of Legislative Councils as competitive with demands for Agriculture, and, on the ground that a very large majority of the population is dependent upon agriculture for its livelihood, they are inclined to be apathetic on the subject of demands for industrial development. In our opinion this is too narrow a view. Most agriculturists have at certain seasons a great deal of spare time and if suitable spare-time occupations can be found for them they will be enabled to increase their annual incomes considerably and so to raise permanently their economic status. We realise that the most important cottage industry in the presidency, that of handloom weaving, is viewed with disfavour by agriculturists in some parts at the present time. Some observers are inclined to interpret this as indicating that those agriculturists who refuse to take up handloom weaving as a spare-time occupation are content with their return from agriculture and prefer to have their spare time as leisure. As against this view it has to be borne in mind that among Hindus many of the cultivating classes consider themselves superior in social status to the weaving castes. We think that this prejudice is one of the important reasons why handloom weaving has not been taken up by agriculturists more widely than at present. Social development and an increase in the number of weaving schools and demonstrations will help to overcome this difficulty. But this prejudice is much less likely to exist in regard to new industries. The standard of living among the rural classes is rising, and this tendency will make them more ready to take up subsidiary occupations in order to supplement their main sources of income. And we consider that one of the primary functions of the Director of Industries should be the development of new spare-time occupations for agriculturists. We do not desire to prescribe in detail how this branch of his work should be carried out. But we suggest that in the first place a careful analysis should be made of the imports into this province, in order to indicate what demands exist for commodities capable of being manufactured on a small scale. A combination of this analysis with a consideration of the extent to which the raw materials required for these commodities are available within reasonable distance will then suggest further lines of practical effort. And we would lay stress on the fact that spare-time occupations have the advantage that they can be successfully established with a net return to the labourer appreciably lower than he would accept as wages in his main occupation. The Royal Commission on Agriculture which is now sitting will probably make recommendations on this subject. Those recommendations can hardly be more than general and they can be taken into consideration as soon as they are published. The necessary preliminary study of the possibilities in this connection in this province

will take time and it is desirable that that enquiry should be undertaken without delay and not postponed until the recommendations of the Agricultural Commission become known.

19. The consideration of the difficulties in developing cottage industries brings us to the question of co-ordinating the efforts of the Co-operative Department and the Department of Industries. The most widespread and best developed cottage industry in this province is hand-weaving and we have therefore specially considered its case. Even when persons with some training are available, *e.g.*, weavers by caste or those who have been trained in the weaving schools, there remain three main difficulties—

(*a*) to obtain raw materials as cheaply as possible ;

(*b*) to introduce the latest improvements into the handlooms ; and

(*c*) to market the finished goods speedily and at the best rates.

Assistance under (*a*) and (*c*) is primarily the function of the Co-operative Department, which has established co-operative societies for financing the weavers and for organising the purchase of raw materials and marketing the goods. That department has a special officer who supervises the progress of weaving societies, and one of the suggestions which we have considered is that an officer with expert knowledge of handlooms and their most up-to-date developments should be attached to the Registrar of Co-operative Societies, so that that department would be in a position to assist the weavers at all the three stages, purchase, manufacture, and marketing. This would have the great advantage of preventing overlapping and consequent waste of effort. But, after considering the opinions of the Registrar of Co-operative Societies and the Director of Industries, the majority of the Committee are of opinion that this would not be practicable. The Registrar of Co-operative Societies should concentrate upon the provision of credit facilities and the Director of Industries upon the improvement of appliances and machinery. And if the officer who actually tours and inspects the looms is to be properly supervised and kept both efficient and up-to-date he must be under the direct control of the Director of Industries. At the same time the work of the two departments in assisting the development of cottage industries will inevitably be so interwoven that special arrangements seem necessary to ensure a close degree of co-operation.

20. In accordance with the view expressed in the last paragraph we recommend that weaving schools and demonstrations should be under the control of the Department of Industries, as at present. And we are of the opinion that the next expansion of this work should take the form of more dyeing and handprinting demonstrations.

21. We turn now to the consideration of technical and industrial education. And we use the term "technical education" to mean technical education of the university and collegiate standard and "industrial education" to refer particularly to the training given in industrial schools. In order to avoid going over the same grounds as have been traversed by the committee which sat in 1921-22, under the

chairmanship of Sir M. Visvesvaraya, we have not considered the whole question of what technical and industrial education should be provided by Government and through what agencies. But as the recommendation has been put forward from time to time that these branches of education should be controlled by the Department of Industries we have considered the subject from that point of view. A Department of Industries, with a well-chosen Director and a strong staff of technical experts, would undoubtedly be in a position to assist Government with valuable advice in regard to both technical and industrial education. It is still a matter for careful consideration whether a department with no qualifications to advise on the science most concerned, the science of education itself, should control these classes of education. Government provision on this account has been fully analysed in the two reports of the Visvesvaraya Committee. And for our present purpose we need only review briefly the existing system of control of technical and industrial training in this Presidency. Apart from the weaving schools and demonstrations controlled by the Director of Industries, practical training is given in three Government technical institutions under the control of the Director of Public Instruction, namely, the R. C. Technical Institute, Ahmedabad, the workshop attached to the College of Engineering, Poona, and the workshop attached to the Sir J. J. School of Art, Bombay. Other institutions are managed either by District or Municipal Boards or by private bodies or persons. A list of these institutions, together with details of their curricula, fees, etc., will be found on pages 1-17 of the Government publication "A Compendium of Technical and Industrial, etc., institutions in the Bombay Presidency (1926)." One of the most important of these is the Victoria Jubilee Technical Institute, Bombay, which is recognised by Government as the Central Technological Institute for this Presidency, and which is managed and controlled by a special committee and receives a fixed annual grant of Rs. 1¼ lakhs from Government.

22. In 1913 Government constituted the Committee of Direction for Technical Education and vested in this Committee the control of technical and industrial institutions in this Presidency. At the present time the following are the members of this committee:—

Chairman of the V. J. Technical Institute (Chairman).

Director of Public Instruction.

Two members of the Board of Trustees of the Victoria Jubilee Technical Institute.

Principal, College of Engineering, Poona.

Principal, Victoria Jubilee Technical Institute.

The committee regulates the courses and standards of instruction in the various aided technical and industrial schools and arranges for their periodical instruction and examination through its teaching inspectors. It determines the conditions on which new schools can be established with the aid of Government. It also advises the Director of Public Instruction in regard to proposals for expenditure at the R. C. Technical Institute, Ahmedabad. In the College of Engineering the Principal is assisted in

this connection by a separate advisory committee. In regard to expenditure on grants to aided institutions, the initiative rests with the Committee of Direction. Government provide in the budget a lump sum for these grants-in-aid and their allocation rests with the Director of Public Instruction as advised by the Committee of Direction. It will be observed that at the present time the Director of Industries is not a member of this committee. We consider that he should be appointed a member *ex officio*, as his department should be able to give expert advice regarding curricula in all technical and industrial institutions. The question then remains as to whether the Department of Industries or the Department of Education should control technical and industrial education, *i.e.*, should be responsible for the provision of funds and the details of administration. We realise that the Committee of Direction deals with both of these heads. We think, however, that the details of administration and the consideration of questions as to where new schools should be located, and the like, will ordinarily rest very largely with the controlling department, *i.e.*, in this case the Educational Department. Technical Education, that of the university and collegiate standard, must inevitably be much interwoven with general higher education, and we think therefore that the balance of advantage lies in leaving the control of technical education in the hands of the Educational Department. In regard to industrial schools the ideal is that only literate boys should be recruited, *i.e.*, those who have passed the fourth vernacular standard, and that they should concentrate entirely on training in such arts and crafts as carpentry, smithy work, leather work or whatever may be most in demand in the area. But it has been found in actual practice in most of these schools, excepting those at Surat and Ahmedabad where there is a high standard of qualification for admission, that a large number of the boys admitted are not literate and their general education has to be continued with a view to securing literacy at the same time as they are given industrial training. It is therefore undesirable that the Department of Education should be entirely divorced from the administration of these schools. But after careful consideration of this question the majority of the committee consider that the balance of advantage lies in transferring the control of these schools to the Department of Industries. They will, however, remain under the general supervision of the Committee of Direction, of which the Director of Public Instruction is a member. And just as the technical knowledge of the Director of Industries should assist in framing curricula for higher technical education, so we trust that the Director of Public Instruction will be able through the Committee to ensure that any general education given in industrial schools is given on sound lines. Our recommendations in this connection may therefore be summarised as follows:

(*a*) the Director of Industries should be an *ex officio* member of the Committee of Direction for Technical Education in a position of equality with the Director of Public Instruction, and

(*b*) industrial education should be palced under the control of the Director of Industries, advised by the Committee of Direction.

We would make it clear that this transfer of control of industrial education, which we propose, does not necessarily involve additional

expenditure, except in so far as the Department of Industries will need to be properly staffed in order to fulfil the responsibility.

23. Before turning to consider what should be the qualifications and pay of the future personnel it is desirable to summarise our views regarding the scope of the department. We are of the opinion that the following may be enunciated as the Director's main functions :—

(1) The supply of industrial and commercial intelligence to private enterprises. This should include the obtaining of information regarding trade openings in the province or elsewhere for any goods produced in this presidency.

(2) Technical advice and assistance to cottage industries and small organised industries, including the introduction of new methods and improved implements. This should include the development of new spare-time occupations in rural areas.

(3) Industrial education, including weaving schools and demonstrations in cottage industries.

(4) Survey of all industries in the presidency, excepting major industries, and an organisation for keeping his information on this subject up-to-date. This will include the maintenance of a record of producers and so will connect with the commercial intelligence work specified under the first heading.

(5) Industrial exhibitions, including the industrial sections of agricultural or other exhibitions.

The views of the Committee on the question whether the Director of Industries should control the Factory and Boiler Inspection Departments have been stated in two memoranda appended to this report.

24. If this work were to be done entirely by officers of the Industries Department it would need a large staff throughout the rural areas. It would be difficult for the Director to supervise the work of this scattered staff effectively, and it would mean a considerable increase in expenditure. But we are of the opinion that it should be possible to achieve the same end without great expense if the work of the Industries Department in rural areas is closely co-ordinated with that of other departments. The bulk of the industrial survey work and the keeping of that information up-to-date could be done through revenue subordinates. The organisation which fosters the adoption of improved agricultural implements could be utilised to increase the use of improved looms, better methods of dyeing, and the development of other cottage industries. The Agricultural Engineer or the Executive Engineer, Public Works Department, in each district should be able to advise regarding small engineering plants for industrial purposes. Public Works Department officers could assist in the inspection of industrial schools. Trade openings could be reported upon by Local Board Engineers and officers of the Public Works and other departments working in the district, according to the class of the commodity offered. Great care would need to be exercised by the Director that too many of such reports were not called for or they would rapidly deteriorate in value. It is unnecessary to elaborate this theme further, but these few instances will suffice to indicate the way in which we feel that, without much

additional expense and without throwing inordinate labour upon other departments, their staffs could co-operate with the Industries Department to foster industrial development in rural areas. The possibility of friction between departments cannot be overlooked. But we are of the opinion that with a carefully selected and tactful Director, assisted by the goodwill of other departments, that difficulty is not insuperable, provided that Government will enunciate its policy in this connection clearly and will encourage all departments to give zealous assistance.

25. It is apparent that Government will need to exercise special care in selecting their Director of Industries. The recommendation of the Industrial Commission on the subject of the qualifications required for a Director of Industries was as follows :—

> "These include, in the first place, business sense, *i.e.*, the capacity of appreciating the technical features of industries in their bearing on commercial possibilities, and the ability to form conclusions as to the commercial soundness of a scheme worked out by a technical expert; the power of organisation; familiarity with the practical handling of economic questions; and local knowledge. If such a man be also an expert in any industrial branch, this will be a great advantage. Men of the above type may be found either in Government service or among the commercial community. Officials will probably be somewhat deficient in their appreciation of the business aspect of industrial propositions and in their capacity for business management. Those of them who do not possess technical knowledge will be unable to add to or improve the suggestions of their technical staff, and it is not likely that they will be able to initiate new industrial proposals. Non-officials may or may not possess expert technical knowledge; but they are less likely to have wide local knowledge, while the best men among them may not be willing to accept the comparatively limited prospects of Government service. Our remarks in this chapter have special reference to the initial appointments, which will give rise to the greatest difficulty. Later on, Directors will be provided from the Imperial Industrial Service, if our proposals in Chapter XXII be adopted. For the first appointments, power of organisation must be recognised as a factor of special importance. If, then, a properly qualified industrialist or business man is not forthcoming, the balance of advantage in these cases is in favour of the selection of the Director from one or other of the existing services."

We accept this as indicating on general lines the qualifications required. But we wish also to make it clear that in our opinion the most essential qualifications for a Director of Industries are general knowledge, commonsense, and tact. Technical qualifications are most desirable, but without these essentials a Director of Industries can hardly be a success. We turn now to the question of pay.

26. Government cannot afford to offer a salary which will tempt a successful business man to take this post. It has been suggested to us that there are successful Indian business men who would accept this post in a spirit of service and with the high ideal of working for the

country's good. We have no information as to any such men who may be forthcoming. Apart from that possibility we have to consider the pay upon which Government will be able to recruit an officer of the type required. Other provinces pay their Directors of Industries at the following rates (pay, including allowances) :—

	Rs.
Assam	1,850
Bengal	2,700
Bihar and Orissa	2,200

Burma—has no Director. The work of industrial development is merged with other provincial development work under the control of the Development Commissioner.

	Rs.
Central Provinces	1,825
Madras	2,050
Punjab	1,300
United Provinces	2,200

And we doubt whether Government will find themselves able to recruit a suitable man on less than about Rs. 2,000 per month. Subject to these comments we recommend that the most suitable man available on pay of about this magnitude should be recruited, or on less pay if his qualifications and experience should so warrant. The majority of the committee are of the opinion that it should be laid down that he must be an Indian. The minority do not wish to prescribe this as an absolute rule, as the purpose of the department is of such importance to the future development of the Presidency that the most efficient agency available, from whatever source, should be employed.

27. Having indicated the qualifications and pay required for the Director it is not necessary to do more than touch briefly on the other staff required, as this will depend largely on the extent to which the assistance of the department is invoked, the extent to which it is found, in practice, that the agency of other departments can be utilised, and the funds available. He should certainly have one other officer, attached to his headquarters office, of sufficient standing to advise enquirers when he is on tour or to be deputed for special enquiries when the Director is needed at headquarters. For this post an officer with the qualifications and pay of an Assistant Engineer in the Public Works Department would probably meet the case. More clerical establishment would be required in the headquarters office than there is at present, but no specific recommendations are necessary on this subject, as clerical establishment will grow with the increase in work. We have already recommended the recruitment of special experts on short-term contracts, as needs arise and funds permit (see para. 15). And it has been suggested to us that the Director should be provided with divisional officers of the type of Deputy Directors of Agriculture who should deal with all ordinary enquiries from their divisions. It is probable that in the future the department should

develop on these lines, but we do not desire to frame a definite recommendation now in this sense. We are of the opinion that, if the Director is assisted in rural areas by other departments as we have suggested, the volume of enquiry at present received does not warrant the appointment of more than a Director and an Assistant Director of the grade of an Assistant Engineer. These proposals will in any case involve considerable increase in the budget provision and we consider that this is as much as is immediately necessary.

In conclusion we desire to express our appreciation of the services of Mr. Dracup, particularly his assistance in collecting information on various points which have arisen in the course of our discussions.

4th July 1927.

(Signed) C. G. FREKE,*
Chairman.
(„) J. ADDYMAN.
(„) LALJI NARANJI.
(„) A. M. MANSURI.
(„) D. B. COOPER.
(„) MUNMOHUNDAS RAMJI.
(„) G. L. WINTERBOTHAM
(*subject to minute of dissent*).

* Whilst joining unreservedly in the recommendations of this report, I wish to avoid any possibility of misconception by expressly stating that I do so in my personal capacity as a member of the Committee and not in any representative capacity as an officer of the Finance Department.

(Signed) C. G. FREKE.

Memoranda regarding control of the Factory and Boiler Inspection Departments

One of the recommendations of the Industrial Commission was that the Factory and Boiler Inspection Departments should be placed under the control of the Director of Industries, and the Committee has given very full consideration to this recommendation. In its discussions five points have been urged in its favour, (*a*) that these departments concern industries and should therefore be controlled by the Industries Department, (*b*) that in the course of their work Factory and Boiler Inspectors obtain information which would assist the Director in developing the industries of the province, (*c*) that if the Director of Industries were made the administrative head of these departments he would have statutory authority to inspect factories to which at present he has no access unless the owners so desire, (*d*) that the Director of Industries would be in a position to ensure that these departments were administered in such a way as not to handicap the development of industries, and (*e*) that the Indianisation of these departments would be expedited. Before going further it is as well to point out that Indianisation is not in any way affected by the decision as to who shall be in administrative control of these departments. That is a matter of general policy affecting all departments of Government. And we accept the policy of Indianisation, provided that the efficiency of these departments is fully maintained. Their efficiency is of such vital importance to the premier industry of this presidency that this is an essential proviso. There then remain four considerations in support of the proposal to transfer the control. But point (*a*)—that these departments "concern" industries—is merely a play upon words. Many departments of Government "concern" industries in one way or another. The Bombay Income-tax Department is concerned largely with industries, and their levies handicap industrial development [compare point (*d*) urged in favour of the proposal]. But it has not been suggested that Income-tax Inspectors should for that reason be placed under the administrative control of the Director of Industries. We consider that because the Factory and Boiler Inspection Departments "concern" industries is not by itself any ground for transferring their control to the Director of Industries. In regard to the view that the Director of Industries should have statutory authority to inspect industrial concerns to which he would not otherwise have access, it should be remembered that, if it is thought that he should have such access, he can be given it without his having anything to do with the departments of Factory and Boiler Inspection. But we are very doubtful whether owners of industrial concerns would agree to his being so empowered by statute, and, if our judgment on this point is correct, it is then clear also that he should not be given the power indirectly by the device of placing him in charge of these departments. In so far as Factory and Boiler Inspectors obtain information which would be of value to the Director of Industries in advising on other industrial developement it is obvious that owners of industrial concerns would have the strongest objection to details of their

business, such as special processes or improved factory organisation, being passed on to their competitors. And, provided that that is not intended, both the Chief Inspectors have made it clear in their evidence that they are at the present time ready to furnish the Director of Industries with any general information which they may glean in the course of their work and to assist him with their advice whenever he may so desire. The most important class of information, which it has been stated that the Director of Industries would obtain in this way, is information regarding imported articles used in mills which could be manufactured in this presidency. Such information both Chief Inspectors are ready to give. But the real point is that millowners themselves will gladly supply such information to the Director, and more accurately and in greater detail than could be expected from Factory and Boiler Inspectors, provided that the Director of Industries has their confidence and respect. That is the crux of the case. If the department is so organised that it commands the confidence and respect of millowners this device for obtaining information indirectly is unnecessary, and, if not, it will be futile. In the latter event this proposal is not the proper remedy but rather change in the direction of the department. We turn now to what is, in our opinion, the chief reason why this proposal should not be accepted. The primary purpose of an Industries Department is to foster industrial development, to increase output, and the like; whereas Factory and Boiler Inspection Departments have entirely different functions. They are primarily responsible for human health and safety, the health of operatives and the safety of both operatives and the general public. A department which exists for the purpose of developing industries must be in close touch with capitalists and so may be suspected of having their interests most at heart. For that reason such organised labour as exists is likely to be opposed to that department controlling factory and boiler inspection. It is urged that these Inspectors only carry out the law of the land; but, in practice, a great deal depends upon the judgment and experience of the Inspector. Both the Chief Inspector of Factories and the Chief Inspector of Boilers were examined at length, and both were of the opinion that the interests of a department whose primary function should be the development of industries would be likely to be antagonistic to the proper fulfilment of their functions. For this reason the Factory and Boiler Inspection Departments in England are under the Home Office, and not under the Board of Trade, and the same is the system in other industrially advanced countries. And we consider that India would be well-advised to benefit by their experience in this matter. In the course of our discussions it has been urged that, at any rate, there is no advantage in the control of these departments remaining with the Collector of Bombay and that, if they are not transferred to the Department of Industries, they should be responsible directly to Government. In Bengal the system of placing these two departments under the Director of Industries has been tried and found not to work satisfactorily, and at the present time they are directly responsible to the Government of Bengal, who state that this system works very well (*vide* their letter, Appendix III). In view of the present condition of the cotton-mill industry in

Bombay we deprecate any change in the system of administering departments whose efficiency is of such importance to the industry and which are working well under the present system. As soon as this period of depression in the industry has passed the Bengal system might be tried in Bombay. But, after much discussion and careful consideration of this matter, we are definitely of the opinion that the Factory and Boiler Inspection Departments should not be placed under the control of the Director of Industries.

4th July 1927.

(Signed) C. G. FREKE.
(") A. M. MANSURI.
(") J. ADDYMAN.
(") G. L. WINTERBOTHAM.
(") D. B. COOPER (*subject to a separate note attached*).

While signing this memorandum I desire to make it clear that in my opinion there should be a means of harmonising the efforts of the Factory Inspection and the Industries Departments. At times factory-owners find that the requirements of Factory Inspectors are unnecessarily expensive. And to meet such cases the Government organisation should be such that both views receive fair and equal consideration, namely, the view-points of industrial development and the view-point of the safety of operatives. Therefore, I consider that the Director of Industries and the Chief Inspector of Factories should be given equal status, *i.e.*, both should be responsible directly to Government, so that in cases when these two view-points clash the need for not handicapping industrial development can be represented to Government by the Director of Industries who will then pass orders on such cases after considering the views of both the Director of Industries and the Chief Inspector of Factories. If this is clearly laid down, factory-owners will feel that they have some redress in cases where they consider that the requirements of factory inspectors are unreasonable or that their objects could be achieved in other and cheaper ways.

(Signed) D. B. COOPER.

We are of opinion that the Factories and Boiler Inspection Department should be transferred to the control of the Director of Industries and not be allowed to continue under the Collector of Bombay, as it was from the year 1921 to 1924. During all these years that this arrangement had continued neither one nor the other department had got any complaints to make with regard to that arrangement. We do not understand what special circumstances have since then come up for justifying withdrawal of Factories and Boiler Inspection department from the control of the

Director of Industries. Not only was this department under the Director of Industries of this Presidency but it is under the Director of Industries in several other Provinces like Madras, United Provinces, and the Punjab. We may point out the following considerations in favour of such a course besides the strong recommendation of the Indian Industrial Commission that the Factories and Boiler Inspection department should be placed under the control of the Director of Industries :—

(*a*) These departments concern industries and should therefore be controlled by the Industries Department ;

(*b*) In the course of their work Factories and Boiler Inspectors obtain much information which will assist the Director in developing industries of the Province ;

(*c*) The Director would be in a position to ensure that these departments were administered in such a way as not to handicap the development of industries ;

(*d*) Indianisation of these Departments would be expedited.

We were surprised to hear Mr. Johnson and Mr. Spencer saying in their examination before the Industries Committee that there was likely to be a friction between the Director of Industries and Factories and Boiler Inspectors, as the former would look to the interests of the industries and the latter would look to carrying out of operations of the Act. Such a view has never been put forward, so far as we know, in any quarter upto this time, and it shows the weakness of the case that Messrs. Johnson and Spencer should have to fall back upon such a line of argument.. The Collector of Bombay is but a layman and has again to do much other work and it is an anomaly to place him in charge of the Factories and Boiler Inspection. It is the Director of Industries after all who is to look after the different industries, whether big or small, and the Factories and Boiler Inspection being an essential part of industries will have to fall within the purview of his Department. If the Inspectors of Factories and Boiler were able to work under the Director of Industries without any friction for about three years and are able to do so in other Provinces, there is no reason why they should not continue to do so here.

We do not think it is necessary to give the Director of Industries statutory powers to inspect Industrial concerns, but this should not prevent his being placed in control of the department of Factories and Boiler Inspection. These Inspectors do not obtain much information which would be useful to industrial competitors and even if they do, it is insulting to the honesty and integrity of the Director of Industries to say that he will pass on the information to such competitors, while these Inspectors would not. Both the Factories and Boiler Inspectors have made it clear in their evidence that they are at the present time ready to supply the Director of Industries any general information which they may glean in the course of their work and assist him with their advice whenever he may so desire. The Director of Industries should not be placed in the position of asking for their advice or be dependent upon their sweet will for giving him certain information. It is but logical and fair that he should be placed in control of these departments so that these Inspectors will be Officers working under him.

It must also be remembered that the Department of Industries is at present in the control of the Honourable Minister for Education and Industries and it is but fit and proper both from the point of view of industrial and constitutional developments that the Factories and Boiler Inspection should aslo be under a Minister, as was in fact recommended even by the Muddiman Committee.

It is said that the Factories and Boiler Inspectors are responsible for human health and safety, health of the operatives and safety of both operatives and the general public. We do not understand why this should at all come in the way of the Factories and Boiler Inspection being placed under the charge of the Director of Industries. Surely the Director of Industries will not be less mindful of the health and safety of the operatives and the general public than the Collector of Bombay. In fact we should think that the Director of Industries, through his intimate knowledge of industrial processes and contact with factories, would be able more to appreciate the rules governing the Factory Act than a laymen like the Collector of Bombay, and he would be much abler to judge what is necessary under particular circumstances with regard to the inspection of factories and boilers. He would be also under the Honourable the Minister for Education and Industries and so if there is any dispute or difference in opinion between him and the Factories and Boiler Inspectors, the matter would be decided by the Honourable Minister, which should ensure that the health and safety of the operatives and the general public will not be likely brushed aside.

On account of all these grounds we are strongly opposed to the Factories and Boiler Inspection Department being kept under the control of the Collector of Bombay, and urge that it should be re-transferred to the Director of Industries.

(Signed) MUNMOHUNDAS RAMJI.

(„) LALJI NARANJI.

4th July 1927.

APPENDIX I

Weaving, Sizing and Dyeing Schools and Demonstrations

No.	Name	District
1	Niphad Weaving School	Nasik.
2	Sonai Weaving School	Ahmednagar.
3	Parola Weaving School	East Khandesh.
4	Nasirabad Weaving Demonstration ..	East Khandesh.
5	Madha Weaving Demonstration	Sholapur.
6	Ibrahimpur Weaving School	Dharwar.
7	Gajendragad Weaving School	Dharwar.
8	Ron Weaving Demonstration	Dharwar.
9	Palus Weaving Demonstration	Satara.
10	Pachapur Weaving Demonstration	Belgaum.
11	Bijapur Weaving Demonstration	Bijapur.
12	Bilgi Weaving Demonstration	Bijapur.
13	Chikhli Weaving School	Surat.
14	Surat Weaving School	Surat.
15	Bardoli Weaving Demonstration	Surat.
16	Broach Weaving Demonstration	Broach.
17	Pandoli Weaving Demonstration	Kaira.
18	Vadtal Weaving Demonstration	Kaira.
19	Poona Cottage Sizing Set Demonstration	Poona.
20	Sholapur Sizing Demonstration	Sholapur.
21	Surat Dyeing Demonstration	Surat.
22	Sholapur Wool Spinning and Weaving Demonstration ..	Sholapur.

APPENDIX II

Subject-matter of letters received in the office of the Director of Industries during January 1927

13. In view of the large imports into India the Director was directed to ascertain the prospects of local production of chemicals.
14. Submitting particulars about their oil mill. (Record of producers).
22. Enquiry for purchasers of fancy toys, etc.
33. Ask for particulars about power pump.
34. Forwarding the names and addresses of dealers in wood and timber.
46. Forwarding the names of firms dealing in cotton yarn.
48. A small industrial engineer asks for information regarding hide pickers.
49. Assistance in the disposal of glue manufactured from hide cuttings.
56. Forwarding particulars of oil mill (Record of producers).
60. Forwarding particulars of the mill (Record of producers).
64. Enquiries for dealers in Kapok in Bombay.
90. Enquiries for producers of Sillimanite.
96. A small engineer with some capital enquires how best to use it.
114. Enquiries for names of manufacturers of matches and cigarettes in India.
117. Forwarding a list of dealers in cotton yarn.
127. Forwarding particulars of their mill (Record of producers of vegetable oils).
160. Asks for advice in installing new machinery.
163. In connection with application for state aid to industries.
177. Dealer in raw skins asks for list of tanneries in India.
187. Millstore supplier asks for list of mills in India.
189. Particulars regarding certain processes in the manufacture of sugar carried on in India; (an enquiry made on behalf of a firm in London).
191. Technical advice regarding a gas engineer.
195. Particulars regarding a new sizing machine.
196. An engineer in Berar writes asking for information regarding soap-making as a cottage industry.

206. Registering their name as manufacturers of wood working machinery.
218. A Calcutta dealer in machinery asks for list of match factories working in the Bombay Presidency.
221. Quotations for Surat silk cloth required by the Indian Stores Department.
230. At request of Director of Industries forwarding samples of chalk with a view to finding purchasers therefor.
254. Particulars regarding dyeing process.
264. Enquiries for magazines dealing with metals.
265. Forwarding certain information in favour of protection of manufacture of industrial alcohol.
279. Commission agents enquire for firms dealing in bones.
282. Asks for suppliers of ajwan and rosha oil in Bombay.
285. Information for a firm who desire to exhibit at Leipzig Fair.
327. Particulars regarding protection of chemical manufacture.
331. Information regarding soft woods available in certain Bombay forests.
337. Enquiry from one who desires to start any cottage industry which will pay.
341. Use of wattal and avaram bark in tanning—in connection with overseas complaint of deterioration in tanning of hides.
342. Enquiry from machinery merchants' agent for list of ice factories in Bombay.
358. Literature on poultry.
362. Use of wattal and avaram bark in tanning (same as 341).
366. Protection to match industry. (A copy of an application to the Indian Tariff Board sent to Director of Industries for information).
401. A Ceylon firm wishing to sell satinwood asks for trade connections.
409. Particulars regarding protection of local chemical manufacture.
415. A copy of newspaper article regarding protection of match industry sent to Director of Industries for information.
424. Particulars regarding steam pot required in printing khaddar.
453. Advertisement circular regarding their boilers.
459. Manufacture of khaki cleaners.
475. Use of wattal and avaram bark in tanning. Forwarding a copy of his report on Surat hand weaving.
487. Acknowledgment. He had asked for an appointment in a factory.

APPENDIX III

LETTER No. 637-T/Com. dated 20th May 1927 from the Government of Bengal, Commerce Department.

With reference to Mr. Dracup's letter No. 4428-D. dated the 4th May 1927, I am directed to say that the Factory Inspection Department from its inception to 1920 was under the direct control of Government. For about two years, in 1920 to 1922, the Factory Inspection Department, together with the Boiler Commission, the Smoke Nuisances Commission and the Electrical Adviser and Electric Inspector's office, were placed under the control of the Director of Industries, Bengal. This system, however, did not work satisfactorily, and all these departments were retransferred to the direct control of Government in the Commerce Department in 1922. The existing system works very well, and as a matter of principle it is considered essential that an important department, such as the Factory Department, which in the province of Bengal now consists of a Chief Inspector, six Inspectors, three Assistant Inspectors and two wholetime Certifying Surgeons of Factories, should be in direct contact with Government and also directly under Government control.

NOTE by Mr. Lalji Naranji, M.L.C., in regard to paragraph 8 of the Report

With regard to the portion in the report dealing with the abolition of the Department of Industries mentioned in paragraph 8, I say this is entirely misleading. The facts of the case are that I moved in the Council the deletion of Rs. 2,10,000, being the total demand for Industries, as a protest against the way in which the department was run at the time. It was also a protest against the Department being run under a costly European, I.C.S., Director of Industries instead of a practical Indian. In moving the said cut, I said " Industries ought to be really encouraged and this paltry provision of Rs. 2,10,000 is not sufficient." Sir Maurice Hayward also understood this motion as a cut of non-votable item by a proposal to abolish the establishment of the Director of Industries. The ruling of the President fully explains the reasons of this motion.

The Hon'ble Mr. Jadhav gave a practical understanding in the following words that a Director drawing less salary than the then Director would be appointed. The clear understanding then was that the Director would be an Indian and it was on this understanding that a compromise was afterwards effected which led the Council to accept to reduce the figure to Rs. 1,28,000. The following were the words of the Hon'ble Mr. Jadhav—

" I understand from the discussion here that the chief objection that lurks in the mind of the Hon'ble members is that a Director drawing Rs. 35,000 a year is not necessary. We too think the same. But as the salary is a non-votable item we cannot withdraw that item without the sanction of His Excellency. We are willing to represent this to His Excellency and we are sure that His Excellency will think it proper to give his consent to the abolition of that post. Including the salary of the Director, I am prepared to accept a cut of Rs. 75,000 from this budget. I think that will be considered satisfactory."

The following were the words of the Hon'ble the President—

" I was anxious that the House should fully understand the Hon'ble Minister's offer, because the full consent of the House is necessary before I can make any alteration in the motion. The Hon'ble Minister's offer is to reduce the sum of Rs. 2,11,000 or whatever may be the balance of the grant sanctioned by the House, by a sum of Rs. 23,000 and he further gives the assurance that the post of the Director of Industries will be abolished with the consent of His Excellency, thus making a further saving of Rs. 35,000."

The President further said thus: " The motion before the House will be that the total demand be reduced by Rs. 23,000. That would carry out the arrangement that has been arrived at."

The understanding in short was that the then Director should be withdrawn and an Indian Director should be appointed. The Council did not want to abolish the department as such at all, but it was the Executive Government who construed the wishes of the Council into

meaning abolition and practically abolished the department for one year and then revived it by the pressure of the House in a maimed form with many important details curtailed. This should be made clear in the body of the Report.

It is surprising that there were about 14 items which were under the control of the Director of Industries upto the time that Mr. Bell was in charge of the department. When the department was revived and was placed in charge of Mr. Bharucha there were only a few items which were given in his charge. I cannot understand why this should have been so.

(Signed) LALJI NARANJI.

4th July 1927.

MINUTE of Dissent by Mr. G. L. Winterbotham, M.L.C.

I am not in agreement with the conclusion reached by the other members of the Committee in paragraph 19 that it would not be practicable for the Registrar of Co-operative Societies to control the technical part of hand-weaving demonstration work at present carried out by the Director of Industries. In my opinion, apart from the fact that this work was actually carried out by the Co-operative Department from 1912 to 1918, the opinions of the present Registrar and a previous Registrar of Co-operative Societies, quoted in the proceedings of the Committee, are sufficient evidence to show not only that it would be practicable, but that it might even be advantageous, in that by a combination of the two staffs waste of time and money would be saved, greater efficiency would be achieved and the actual results of the technical part of the work might even show considerable improvement in view of the better supervision which would be possible.

In my opinion the question is of considerable importance in the present state of affairs, when with the limited funds available in the budget the Industries Department is not in a position to function usefully apart from its activities in fostering the hand-weaving industry. I am not prepared to say that with a properly qualified Director of Industries, and a strong staff working under him, it would not be better eventually for the Industries Department to control this work, but it seems to me that, so long as the grant available for the department is limited to the sum set aside in the 1926-27 Budget, it would be preferable to close down the department altogether and transfer the hand-weaving work to the Registrar of Co-operative Societies. The amount actually saved by this course would be approximately Rs. 30,000, representing the cost of the Headquarters office, and this would automatically provide a portion at any rate of the funds required for the industrial survey recommended in the Report, which I regard as the Committee's most important recommendation. It is admitted that a competent Director of Industries would be the best person to control and supervise the industrial survey, but, failing sufficient funds for the appointment of a Director and a reasonably strong staff to work under him and for the industrial survey, I am of the opinion that it would be better to have the industrial survey carried out by some other Government agency, possibly the Labour Office, than to appoint a Director of Industries without providing him with sufficient funds to make a success of his department.

I differ from the rest of the Committee in their recommendation in paragraph 22 that the control of Industrial Education should be handed over to the Director of Industries. I hold that in all educational matters the final word should rest with the Education Department and that, therefore, the control of Industrial Education should remain with the Director of Public Instruction who should work in close co-operation with the Director of Industries. The latter should be an *ex-officio* member of the Committee of Direction of Technical Education.

4th July 1927. (Signed) G. L. WINTERBOTHAM.

COST OF THE COMMITTEE

As nearly as can be estimated the cost to Government of the Committee has been—

	Rs.
Travelling allowances of Members ..	984
Printing of the report	113
Total ..	1,097

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